DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 04-006

2. STATE: New Mexico

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2004

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN X AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:
42CFR Subpart F, 42CFR 447.302

7. FEDERAL BUDGET IMPACT:
a. FFY 04 (reduction) ($ 300,000)
b. FFY 05 (reduction) ($ 1,200,000)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-B pages 3a and 7

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
Attachment 4.19-B pages 3a and 7

10. SUBJECT OF AMENDMENT:
Methods and Standards of Establishing Payment Rates – Other Types of Care

11. GOVERNOR'S REVIEW *(Check One)*:
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
X OTHER, AS SPECIFIED: Authority Delegated to the Medicaid Director.

12. SIGNATURE OF STATE AGENCY OFFICIAL:
C. Ingram

13. TYPED NAME: Carolyn Ingram

14. TITLE: Director, Medical Assistance Division

15. DATE SUBMITTED: June 28, 2004

16. RETURN TO:
Carolyn Ingram, Director
Medical Assistance Division
P.O. Box 2348
Santa Fe, NM 87504

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 1 JULY 2004

18. DATE APPROVED: 23 SEPTEMBER 2004

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 JULY 2004

20. SIGNATURE OF REGIONAL OFFICIAL:
Shirley Higgins for Andrew A. Fredrickson

21. TYPED NAME: ANDREW A. FREDRICKSON

22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR
DIV OF MEDICAID & CHILDREN'S HEALTH

23. REMARKS:

FORM HCFA-179 (07-92)

h. The state Agency has access to data identifying maximum charges allowed and such data will be made available to Secretary of HHS upon request.

i. A separate fee schedule for obstetric and pediatric services is maintained in order to demonstrate that the fee-for-service rates will insure these services are available to Medicaid recipients at least to the extent that such services are available to the general population in a geographic area.

j. Payments to licensed midwives are made at the lesser of the actual billed charge or 77% of the amount allowed by the fee schedule for the same service when provided by a physician.

k. Certified nurse anesthetists and anesthesiologist assistants are reimbursed a rate per anesthesia unit for the procedure and for units of time at rates for medically directed and non-medically directed services.

l. Certified Nurse Practitioners and Clinical Nurse Specialists will be reimbursed at 90% of the payment rate paid to physicians as described in Item I of Attachment 4.19-B.

m. Licensed Independent Social Workers (LISWs) and Clinical Nurse Specialists (CNSs) will be reimbursed as described in Item I of Attachment 4.19-B.

n. A separate fee schedule for Personal Care is maintained in order to demonstrate that the fee-for-service rates will insure these services are available to Medicaid recipients.

8. The fee schedule is examined periodically and adjusted. In all cases, when making changes to the fee schedule there is no differentiation between public and private providers with regards to reimbursement for the same service. The fees are available in a published fee schedule.

VI. For laboratory services, payment does not exceed maximum levels allowed by the Title XVIII carrier.

VII. Payment for dental prostheses is made using the same methodology for professional services as outlined in Section I of this attachment.

Payment for durable medical equipment and prosthetic and orthotic appliances is made at the lesser of the provider's billed charge or the current Medicaid fee schedule.

When a Medicaid fee schedule amount is not available durable medical equipment is reimbursed at the actual acquisition cost plus a percentage. When the actual acquisition cost is $1,000 or more, reimbursement will not exceed actual acquisition cost plus 15 percent. When the actual acquisition cost is less than $1,000, reimbursement will not exceed actual acquisition cost plus 25 percent.

Payment for parenteral and enteral nutrition products is made at amounts that do not exceed those paid by Medicare.

Payment for frames and lenses are made at the lesser of Medicaid fee schedule amount or the invoice cost. This limit, as well as payment for dispensing eyeglasses, is made at a level established by the Department with consideration given to payment practices of other third party organizations, negotiations with appropriate professional societies, and the usual charges of the providers for services to non-Medicaid patients.